



The President's Daily Brief

19 July 1973

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THE PRESIDENT'S DAILY BRIEF

19 July 1973

PRINCIPAL DEVELOPMENTS

The Libyan "march to Cairo" is underway, but Sadat plans to send a delegation to meet the marchers at Mersa Matruh. (Page 1)

Allende's attempt to open a dialogue between the coalition parties and the Christian Democrats is at an impasse. (Page 2)

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EC Agricultural Commissioner Lardinois arrived in the US yesterday [redacted]

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Some Icelandic Government leaders are taking a more flexible attitude toward the US-manned NATO base at Keflavik which augurs well for retention of the facilities. (Page 4)

Notes on Iraq and Yugoslavia appear on page 5.

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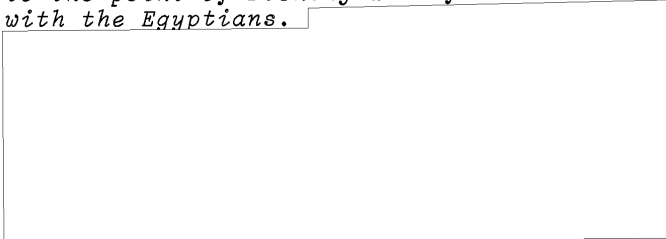
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EGYPT-LIBYA

President Sadat, attempting to head off the Libyan "march on Cairo," broadcast a direct appeal to Qadhafi that the march be canceled in the interests of the "seriousness, objectivity, and responsibility" that should govern the ongoing consultations on merger. Sadat stated that the march is "not a proper revolutionary measure" and could only open the door for "enemies of the revolution." The Libyan motorcade, which began yesterday morning, plans to reach the Egyptian border on Friday.

To back up his public plea for restraint, Sadat yesterday interrupted the Damascus visit of Arab Socialist Union first secretary Hafiz Ghanim and dispatched him hurriedly to Benghazi, where Qadhafi has been since he left Cairo last week.

Qadhafi still appears intent on underscoring his differences with Egypt, even to the point of risking a confrontation with the Egyptians.



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In an attempt to save both sides from more embarrassment, Sadat has agreed to allow the marchers to enter Egypt and is sending a delegation to meet them at Mersa Matruh, some 100 miles inside Egypt, but still far from Cairo. Qadhafi may not be satisfied with this, but Sadat is unlikely to compromise on the larger issue of the merger. Qadhafi's performance will go far to convince the Egyptians that anything more than a loose federation is unfeasible.

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CHILE

Allende's attempt to open a formal dialogue between the Popular Unity parties and the Christian Democrats has reached an impasse. The Communists, vigorously pursuing their new tough line toward the opposition, apparently have joined the Socialists in impeding Allende's effort to work out an understanding. The rhetoric emanating from the leaders of both Marxist parties has become increasingly inflammatory.

Adding to the aura of unease, the far-rightist Fatherland and Freedom movement has announced it will go underground and use "all available methods" to combat the regime, in hopes of provoking the armed forces into moving against the government. In addition, business and professional "guilds" reportedly are considering an effort of their own to galvanize the military into action by staging a nationwide strike next week.

Fatherland and Freedom's brazen threats are more likely to subject it to further repression than to accomplish its goals. The outcome of a rerun of last October's guild strikes is less predictable.

The armed forces remain apprehensive over the continued arming of the government's civilian supporters. They are also disturbed over suggestions by some Popular Unity leaders that soldiers should evaluate the constitutionality of their officers' orders before obeying. No new information has been received on what progress, if any, plotting officers have made.

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EUROPEAN COMMUNITIES - US

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Agriculture Commissioner Lardinois arrived yesterday in Washington [REDACTED]

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Earlier this week the Council ordered the EC Commission to look into ways of encouraging the production of soybeans and other protein-rich stock feeds within the EC and in less developed countries. [REDACTED] the Commission is expected to include in its recommendations some kind of EC support policy for soybeans.

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This would particularly please the French, who have long wanted the community to become more self-sufficient in agriculture.

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ICELAND

A more flexible attitude toward the US-manned NATO base at Keflavik on the part of some government leaders augurs well for retention of the facilities.

On July 13, Foreign Minister Agustsson outlined to Ambassador Irving his government's latest bargaining position. Agustsson's proposals call for the paring down of defense functions and reduction of up to one third of the military personnel over the next five years. Prime Minister Johannesson also projected a more relaxed attitude in an interview published on July 14, denying that his coalition government was pledged to ejecting the defense force before the end of its term.

This contrasts sharply with demands by other government officials, following Britain's introduction of warships in the "Cod War" on May 18, for the removal of all US military personnel and Iceland's withdrawal from NATO. Base negotiations remain linked in Icelandic minds to the fishing dispute, but prospects seem improved for working out a fishing settlement before base talks begin in September.

Some signs that the coalition's two Communist ministers are divided over tactics may also have encouraged Agustsson and Johannesson to bring forward a more conciliatory position.

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NOTES

Iraq: The ruling Baath Party has agreed to form a national front with the Iraqi Communist Party, and the two left the way open for the Kurds to join at a later date. There has been no indication of the working relationship planned between the parties in any future government, but a likely early result is a new cabinet in which the Iraqi Communists will have a larger role. As of now, there are only two Communist ministers, both without portfolio, in the cabinet. Although the Soviets will be pleased, and the Iraqi Communists will enhance their status, past experience indicates that the Communists will not be allowed to endanger Baathist supremacy.

Yugoslavia:

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